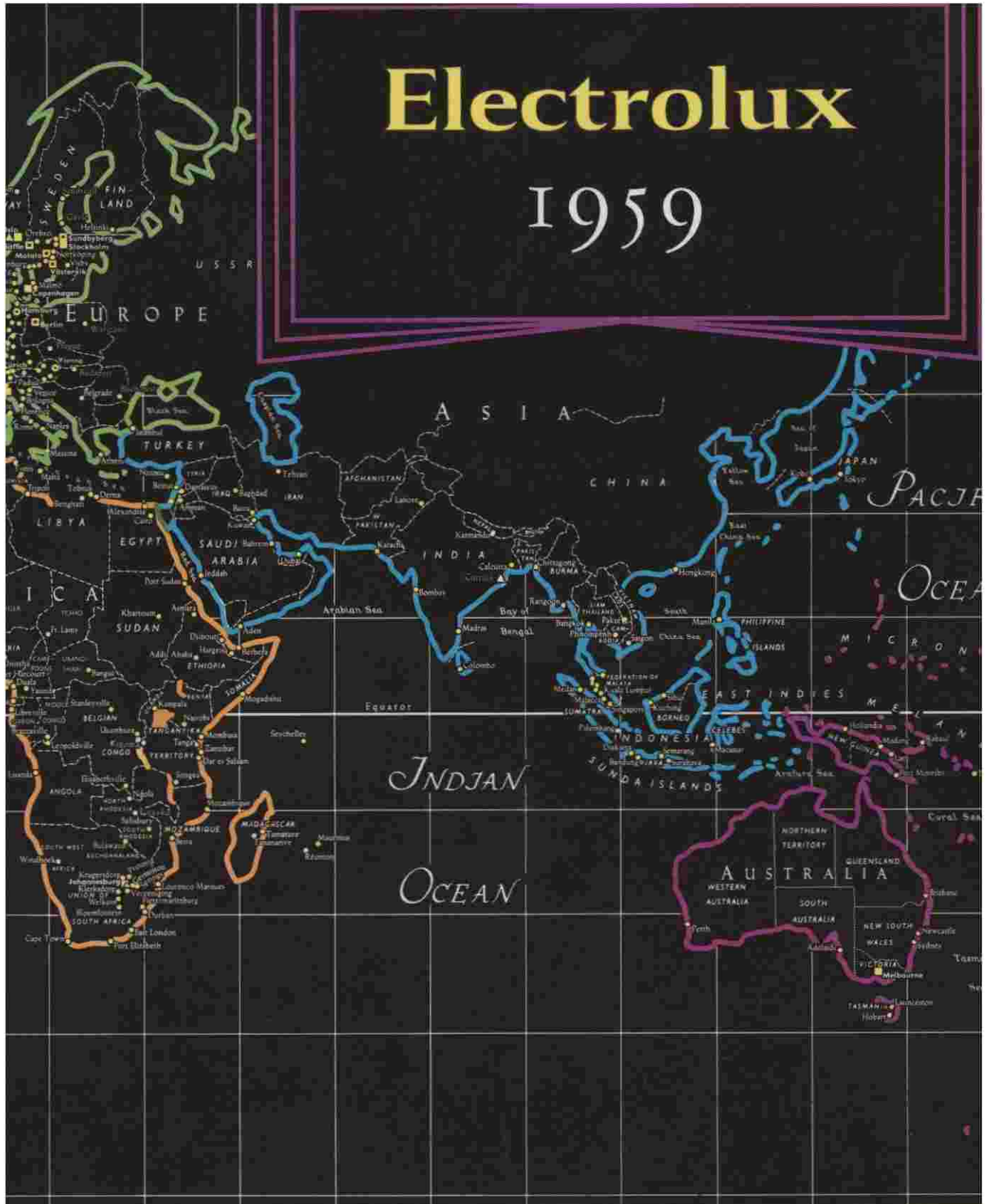


# Electrolux

## 1959



**REPORTS OF THE DIRECTORS AND AUDITORS**

*The cover map shows the extent of the Electrolux organisation.  
Electrolux, represented by subsidiaries and agents in more than  
100 countries, has 20 factories in 15 countries.*



Electrolux manufactures absorption as well as compressor refrigerators. The range also comprises so-called refrigerator larders and combined refrigerator/freezer cabinets.



*Electrolux has factories in many countries. Above, the New Zealand factory. Below, the Mexican factory.*





## ANNUAL REPORT 1959

The Board of Directors submit herewith their Report for the year 1959, while referring to the following Profit and Loss Statement and Balance Sheet.

The Company's Net Profit for 1959 amounted to Kr. 14.5 million, as against Kr. 14.1 million for 1958, after transfers having been made to the Investment Fund of Kr. 10 million (last year Kr. 6 million) and to the Pension Fund of Kr. 3 million (last year nil).

Together with the unappropriated balance of Profit from the previous year of Kr. 40 million, as also the surplus of Kr. 0.6 million arising from the merger of AB Arctic and Platen-Munters Refrigerating System AB, an amount of Kr. 55.1 million is at the disposal of the General Meeting.

The Board of Directors recommend that this amount be appropriated as follows:—

For increase of Share Capital.....	Kr.	40,000,000
Transferred to the Statutory Reserve.....	»	2,000,000
For payment of a dividend, against coupon No. 56, of Kr. 9.— per present share, corresponding to Kr. 6.75 per share of the increased Share Capital.....	»	10,800,000
Balance of Profit to be carried forward.....	»	2,311,024
	<u>Kr.</u>	<u>55,111,024</u>

In connection with the proposed bonus issue it is suggested:—

*that* one bonus share of series "A" shall be issued for every three shares of series "A", and one bonus share of series "B" for every three shares of series "B",

*that* stamp duty for the new shares shall be paid by the Company, and

*that* the new shares shall be entitled to participate in the Company's profits for 1960 and following years.

In accordance with this proposal the Company's Share Capital will amount to Kr. 160,000,000, divided into 160,000 shares of series "A" and 1,440,000 shares of series "B". The Company's Share Capital may, in accordance with the present Articles of Association, amount to a maximum of Kr. 135,000,000, for which reason it is proposed that the General Meeting shall pass a resolution authorizing an alteration in the Articles, to the effect that the Share Capital shall amount to a minimum of Kr. 120,000,000 and a maximum of Kr. 360,000,000.

## SALES

Sales by AB Electrolux, consisting of deliveries of the Swedish factories' products to subsidiaries, distributors and other customers, amounted to Kr. 186.9 million during the year, as against Kr. 167.5 million in 1958. The increase is entirely ascribable to Sweden.

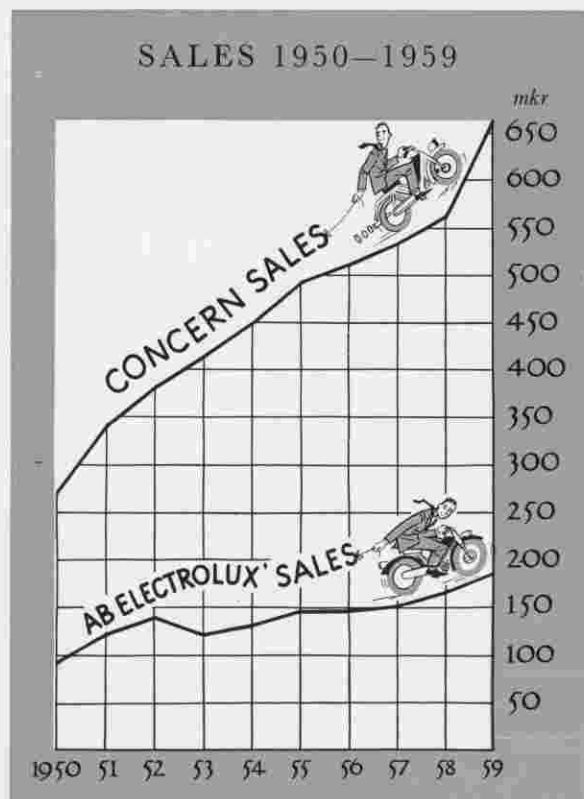
Of total sales of Kr. 186.9 million, exports accounted for Kr. 87.8 million, i.e. 47 %, as against Kr. 90.3 million, i. e. 53.9 %, in 1958. The decrease is due partly to efforts to reduce stocks at some of the foreign subsidiaries, and partly to price reductions in some markets with a view to meeting ever harder competition, not least from countries with a low wage-level, and countries whose exports are still subsidized. In certain cases, exports from Sweden, with its relatively high level of costs, have been made impossible for these reasons, and have had to be replaced by deliveries from Concern factories abroad. A further reason is import restrictions in Mexico, which have made it necessary to start local manufacture of refrigerators and cleaners.

For the entire Electrolux Group, total sales amounted to Kr. 665 million during 1959, as against Kr. 564 million in 1958. Of total sales, Kr. 124.6 million, or 18.7 %, referred to customers in Sweden, as against Kr. 96 million, or 17 %, in 1958, inter-company deliveries having as usual been eliminated.

Sales of Electrolux products have been favoured by the good conditions which have predominated in many markets. Thus, the total number of refrigerator and deep-freeze cabinets sold by the whole Concern increased by no less than 31.9 % by comparison with 1958, and sales of the Company's other products also rose.

On the Swedish market, sales of refrigerators and deep-freeze cabinets increased considerably as compared with 1958. In the summer of 1959, the factory in Motala delivered the 1,000,000th cabinet for the Swedish market alone. Sales of the domestic washing machines introduced during 1958 rose rapidly during the year. Sales in Sweden of refrigerators and deep-freeze cabinets, cleaners, floor polishers, kitchen machine "Assistent", dishwashers, as also washing machines and spin dryers are handled by the Electrolux Swedish Selling Company. Sales of the Company's other products, such as fractional H. P. motors from the factory at Västervik, "Archimedes" and "Penta" outboard motors from the factory at Sundbyberg, steel fittings etc., Compactus store-bins and shelvings, as also rolling mill products from the Säffle factory and "McCulloch" motor saws (imported from the U. S. A.) are, on the other hand, effected direct by AB Electrolux. Total turnover during 1959 of the Electrolux Swedish Selling Company rose by more than a third in comparison with 1958. Sales of other products on the Swedish market also showed a substantial increase.

Excellent sales results have also been achieved during 1959 by the British subsidiary, which already during 1958 expanded greatly. Within three years the turnover has doubled. Despite considerable extensions of the factory in Luton during the past two years, the British Company has not quite been able to fill the demand for Electrolux refrigerators. The Motala factory therefore reckons with having to deliver during the next few years a large number of cabinets to the British Company.



Other subsidiaries also showed considerable increases in turnover, e.g. Norway, Mexico, Venezuela, Holland and Germany. On the other hand, import difficulties, harder competition, and low business activity have caused decreased sales in some countries, such as Cuba, Uruguay, Spain and Peru.

An agreement has been reached during the past year with the well-known Borg-Warner Corporation in the U. S. A. for substantial deliveries of large refrigerator units from the Motala factory. These units are incorporated in gas-heated refrigerators, manufactured within the Borg-Warner Concern, and sold by them on the American market under the well-known trade mark "Norge".

Exports of small refrigerators to the U. S. A., mentioned in the previous Annual Report, showed during 1959 a large increase.

Due to import restrictions in India, preparations were initiated a few years ago for the manufacture of refrigerators there. The Indian authorities have now granted a permit for the formation of an Electrolux Company in India for the manufacture of Electrolux refrigerators. The new company will be owned jointly with the

Vulcan Trading Company, which, for many years past, has handled the distribution of Electrolux cabinets on the Indian market, and with an Indian company, Kalinga Industries Ltd.

## PRODUCTION — RESEARCH — NEW PRODUCTS

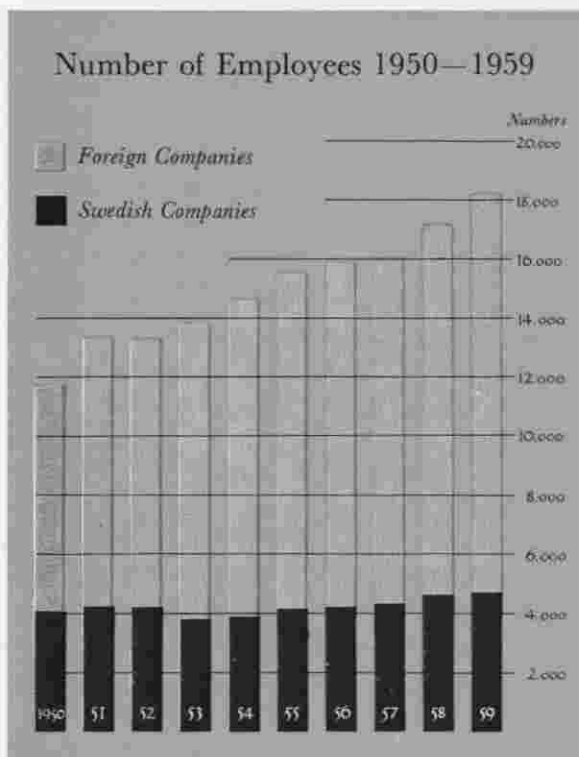
The total production of all the Concern's factories in Sweden and abroad rose in volume by about 15 % during the past year, as compared with 1958. The factories abroad accounted for the largest increase, and of these the most outstanding was the factory in Luton. The Berlin factory also increased considerably its production, whereas that of the French factory decreased somewhat, with a view to reducing the large stocks of finished products.

One of the most outstanding results of development work within the sphere of refrigeration during 1959 at the Central Laboratories in Stockholm has been a significant improvement in the efficiency of absorption units. The new units produced use about 30 % less current than earlier types. Among the new models introduced during the year is a 300 litre so-called refrigerator-larder cabinet, specially designed for the Swedish market.

New models of domestic cleaners have been introduced during the year, inter alia in Great Britain and Brazil, and a new type of hotel cleaner has been designed which, in the first instance, will be manufactured in Spain, Italy, Mexico and New Zealand.

A wholly automatic version of the large Bohus washing machine has been designed, and all models of domestic washing machines have been further improved during the year. In order to widen their assortment, some subsidiaries sell washing machines and spin dryers of other makes, these first having been examined from a technical angle by the Central Laboratories.

A dishwasher designed by the Company has been introduced on the Swedish market during the latter part of the year. This new machine has been given a most favourable reception, and is the subject of great interest by a large number of foreign subsidiaries.



## NUMBER OF EMPLOYEES — SALARIES AND WAGES

The average number of Workmen employed during the year was 2,526, the average number of other Employees being 1,196.

The total amount of remuneration paid during the year is made up as follows:—

Directors, Managing Director and other Executives	Kr.	1,441,000
Workmen.....	»	30,665,000
other Employees.....	»	22,990,000

The Swedish Selling Companies employed 229 Workmen and 798 other Employees, remuneration paid amounting to:—

Directors, Managing Directors and other Executives	Kr.	312,000
Workmen.....	»	2,586,000
other Employees.....	»	13,712,000

The Subsidiaries outside Sweden employed 4,555 Workmen and 8,899 other Employees, remuneration paid (converted into Swedish Kronor) amounting to:—

Directors, Managing Directors and other Executives	Kr.	3,506,000
Workmen.....	»	44,038,000
other Employees.....	»	108,861,000

The total number of persons employed within the Concern thus averaged 18,203 during 1959, and remuneration paid amounted to Kr. 228.1 million.

## COMMENTS ON THE ACCOUNTS

### *Profit and Loss Statement*

The increase in "Profit on operations" is due partly to larger turnover during the year, and partly to lower provision for stock reserves during 1959, as compared with 1958. The gross values of stocks decreased during 1959, whereas they increased sharply during 1958. That the General Reserve for current stocks, according to a following statement, has despite this increased by Kr. 815,000 during the year, is due to it having been calculated at 70 % of the gross value of stocks, as against 65 % previously. On the other hand, the trading account has been charged with a transfer to the AB Electrolux'

Pension Fund of 1952 amounting to Kr. 3,000,000, as against nil in 1958.

The Company has continued to pay its portion of the pension premiums out of the special Pension Fund with the Swedish Personnel Pensions Society ("SPP"). To this end, an amount of Kr. 2,362,000 was appropriated during the year, the balance of the fund thereafter being Kr. 8,693,000.

Dividends on shares in other Companies consists primarily of a dividend of \$ 1.20 per share on the Company's holding of 350,000 shares in Electrolux Corporation, New York. The dividend for the previous year was \$ 1.—. This company has shown a considerably better result for 1959 than for 1958.

Under the heading of "Amounts recovered from investments in foreign Subsidiaries, previously written off", there has been included, inter alia, recovery of part of the reserves against loans, previously granted to the German Companies, and on which repayments have been made during the year.

An amount of Kr. 10 million of the year's profit has been transferred to the "Investment Fund".

"Interest paid" includes Kr. 366,000, credited to AB Electrolux' Pension Fund of 1952.

### *Balance Sheet*

In line with the Company's endeavours to simplify administration within the Electrolux Concern, the Subsidiaries AB Arctic and Platen-Munters Refrigerating System AB have during the year been merged with the Parent Company. Several items in the Balance Sheet have been influenced, as will be apparent below.

Buildings in Motala which were owned by AB Arctic, and which had a book cost value of Kr. 4,857,000 have, as a result of the merger, been transferred to the Company and included under the heading "Land, Factory & Office Buildings". Under this heading has also been included a finished stores building of about 3,000 square metres, as also a large warehouse for packing material erected in Motala during the year. The so-called "A" workshops in Motala are now being raised by two storeys, as a result of which the factory's floor area will be increased by about 2,000 square metres.

Among "Land, Factory & Office Buildings"



are also included the cost of building-in the so-called light-well at the Stockholm factory, as also part of the cost of rebuilding the central heating plant at this factory; further, payments made up to the end of the year for extensions to the Central Laboratories in Stockholm, which work was commenced in 1958.

Kr. 3,896,000 has been appropriated from the Investment Fund for the foregoing building costs. The Company has accounted for this by charging the building costs to "Land, Factory & Office Buildings", while simultaneously increasing the Reserve for Depreciation by the same amount as was appropriated from the fund. These investments have, consequently, been fully written off. In addition, the usual Reserve for Depreciation of Buildings has been set up.

The Company's buildings had at the 31st December, 1959, an assessed value of Kr. 26,616,000 and were insured against fire for Kr. 52,007,000.

Purchases of Machinery, Office Furniture,

Motor Cars, etc. amounted during 1959 to Kr. 4,496,000, while items scrapped and sold amounted to Kr. 1,095,000. The net increase was therefore Kr. 3,401,000. The Investment Fund has been utilized to the extent of Kr. 1,117,000 for these purchases, this amount referring mainly to fittings in the rebuilt central heating plant, as also the conveyer system at the Stockholm factory. The Reserve for Depreciation has also in this case been increased by the same amount as was taken from the Investment Fund and, in consequence, the purchases for which the Investment Fund has been utilized have been wholly written off. In addition, the usual Reserves for Depreciation have been set up for Machinery and Inventories.

Machinery and Inventories at the Swedish factories and Head Office were insured against fire for Kr. 128,191,000 at the year-end.

Shareholdings in Subsidiary Companies have decreased by Kr. 1,130,000 as a result of the following transactions:

#### Acquisitions

1. By the merger with Platen-Munters Refrigerating System AB and AB Arctic, the Company has acquired the following shares:

1,000 shares in AB Arctic.....	Kr.	100,000	
1,000 " " Centralkassan AB.....	»	100,000	
15,000 " " AB Archimedes.....	»	750,000	
200 " " AB Lux (formerly AB Sawe).....	»	20,000	Kr. 970,000

2. New investment in Volta S. p. A., Milano, Lire 995,000 = Kr. 8,307, which has been written down to..... » 1
3. Received shares amounting to DM 300,000 in Electrolux G. m. b. H., Hamburg, in exchange for a corresponding number of shares in Electrolux G. m. b. H., Munich, the new shares having been taken up at a book value of..... » 0

**Total amount of Acquisitions** ..... Kr. 970,001

#### Disposals

1. Cancelled as a result of the merger:

15,000 shares in Platen-Munters Refrigerating System AB à Kr. 100.—.....	Kr.	1,500,000	
6,000 shares in AB Arctic à Kr. 100.—.....	»	600,000	Kr. 2,100,000

2. Written-down book value of shares in Electrolux G. m. b. H., Munich, exchanged against the corresponding number of shares in Electrolux G. m. b. H., Hamburg..... » 1

**Total amount of Disposals** ..... Kr. 2,100,001

**Net reduction therefore** ..... Kr. 1,130,000

	1959	1958
The Swedish factories' current stocks, valued at the lower of cost or market value, amounted to . . . . .	Kr. 65,796,000	Kr. 69,356,000
The General Reserve for these stocks amounted to . . . .	» 45,896,000	» 45,081,000
The net book value of the Swedish factories' current stocks was consequently . . . . .	<u>Kr. 19,900,000</u>	<u>Kr. 24,275,000</u>

Obsolete stocks have been entirely written off.

Amounts due by Group Companies have increased during the year as a result of larger deliveries from the Company. Of Customers' Outstandings and Bills Receivable, totalling Kr. 13,932,000, amounts of Kr. 5,180,000 refer to customers in Sweden and Kr. 8,752,000 refer to customers abroad.

AB Arctic's Pension Fund of Kr. 225,000 has, in consequence of the merger of that company, been transferred to the Parent Company and merged with AB Electrolux' Pension Fund.

Long term debts to Concern Companies decreased by Kr. 839,000. This decrease is due to the Company's debt to Platen-Munters Refrigerating System AB having been cancelled by the merger.

As already mentioned, the Company has transferred a further Kr. 10 million to the Investment Fund. The balance at the end of the previous year was Kr. 10 million, of which Kr. 5,013,000 has been appropriated during the year. Thereafter the fund amounted at the year-end to Kr. 14,987,000.

The surplus resulting from the merger of AB Arctic and Platen-Munters Refrigerating System AB, Kr. 632,000, consists of the Statutory Reserves of these two companies at the time of the merger.

*Electrolux' factory in Mexico makes extensive use of female labour.*

#### CONSOLIDATED BALANCE SHEET

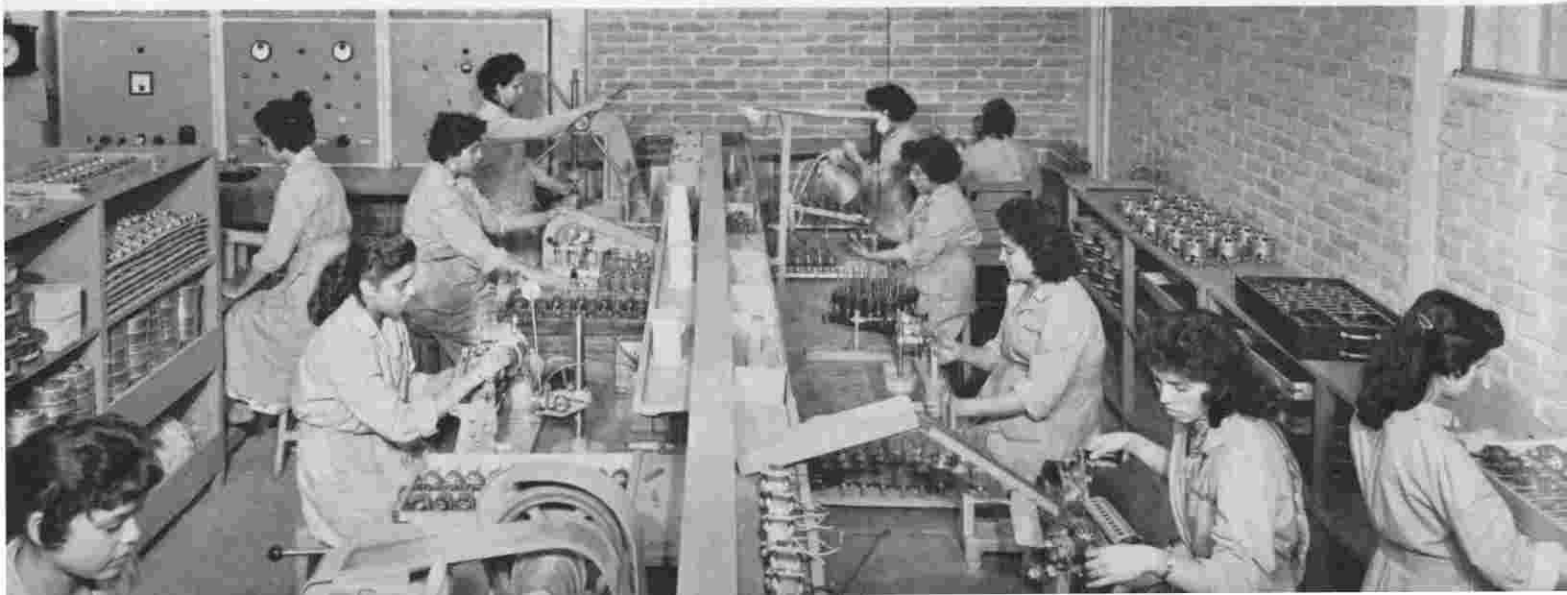
In preparing the Consolidated Balance Sheet, the Balance Sheets of the foreign Subsidiaries have in all instances been converted into Swedish Kronor at lower rates than the officially quoted buying rates at the year-end. The same principle has been applied with respect to the Parent Company's claims in foreign currency, while the liabilities have been converted at the official selling rates of exchange.

"Land, Factory & Office Buildings" shows an increase of Kr. 10,062,000. Included herein are the investments at the Swedish factories already mentioned. The British Company has during the year invested Kr. 5,114,000 for extensions of its plant.

Machinery, Office Furniture, Motor Cars, etc. show together an increase of Kr. 13,693,000 after deduction of items scrapped and sold. The British Company's capital investments totalled Kr. 5,998,000, apart from which substantial capital purchases have been made in Sweden, France, Canada, Germany and Australia.

As a result of increased sales Customers' Outstandings and Bills Receivable have increased by Kr. 24,191,000.

The result of the operations of the Company and its Subsidiaries for 1959 is, in accordance with the Consolidated Balance Sheet of the Concern, a profit of Kr. 29.1 million for 1959 as against Kr. 22.1 million for 1958.



The result of the Company's operations during the year 1959 is shown by the following

## PROFIT AND LOSS STATEMENT

	<i>1959</i> Amounts in 1000 Kronor	<i>1958</i> Amounts in 1000 Kronor
<i>Income:—</i>		
<i>Profit on operations</i> .....	20,040	11,765
(after deducting:—		
Transfer to		
AB Electrolux' Pension Fund of 1952.....	3,000	( — )
Depreciation on Buildings .....	791	( 639)
Depreciation on		
Machinery, Furniture, etc.....	3,981	( 3,781)
General Sales & Administration		
Expenses .....	9,153)	( 8,861)
 <i>Royalties from abroad and Sale of Patents</i> .....	 12,352	 14,631
 <i>Dividends received:—</i>		
From Subsidiaries .....	2,517	2,899
From other Companies, .....	1,959	1,685
	4,476	4,584
 <i>Interest received:—</i>		
From Subsidiaries .....	197	259
Other interest received, etc. ....	2,271	858
	2,468	1,117
 <i>Amounts recovered from investments in foreign</i> <i>Subsidiaries, previously written off</i> .....	 1,003	 1,135
	40,339	33,232
 <i>Expenses:—</i>		
Provision for Investment Fund .....	10,000	6,000
Writing-down of the book value of shares in Subsidiary		
Companies .....	8	—
Writing-down of the book value of Sundry Bonds .....	26	332
Interest paid .....	466	456
	10,500	6,788
	29,839	26,444
 <i>Provision for Taxes</i> .....	 15,321	 12,352
 <i>Net Profit for the year 1959</i> .....	 14,518	 14,092

The position of the Company as at December 31st, 1959, is shown by the following

## BALANCE

### ASSETS

#### *Fixed Assets:—*

	<i>1959</i>		<i>1958</i>	
	Amounts in 1000 Kronor		Amounts in 1000 Kronor	
Land, Factory & Office Buildings.....	31,628		22,977	
<i>Less: Reserve for Depreciation</i> .....	<u>12,709</u>	18,919	<u>5,989</u>	16,988
Machinery, Office Furniture, Motor Cars, etc.....	54,664		51,263	
<i>Less: Reserve for Depreciation</i> .....	<u>47,199</u>	7,465	<u>43,197</u>	8,066
Prepayments on Fixed Assets under construction.....		72		159
Shareholdings in Subsidiary Companies	76,100		77,230	
Shareholdings in other Companies .....	<u>31,080</u>		<u>31,080</u>	
	107,180		108,310	
<i>Less: Reserve for Depreciation</i> .....	<u>16,000</u>	91,180	<u>16,000</u>	92,310
<i>Guarantee Deposits</i> .....		118		107
<i>Patents</i> .....		<u>0</u>		<u>0</u>
		117,754		117,630

#### *Current Assets:—*

Inventories of Merchandise.....		19,900		24,275
Sundry Bonds.....	848		1,099	
Notes Receivable.....	<u>202</u>	1,050	<u>202</u>	1,301
Due by Subsidiary Companies.....		72,699		67,615
Customers' Outstandings and Bills Receivable.....		13,932		15,249
Miscellaneous Receivables.....		3,275		2,417
Deferred Charges.....		138		30
Cash at Banks, Post-Office, and on Hand		<u>55,853*)</u>		<u>36,678</u>
		166,847		147,565
		<u>Total 284,601</u>		<u>Total 265,195</u>

\*) Of this amount, Kr. 3,000,000 on blocked account at Sveriges Riksbank (Bank of Sweden)

# SHEET

## LIABILITIES

### Long Term Liabilities:—

#### AB Electrolux' Pension Fund:

By previous allocations . . . . .

8,000

8,000

Transferred from AB Arctic . . . . .

225

—

8,225

8,000

#### AB Electrolux' Pension Fund of 1952

15,567

12,201

Due to Subsidiary Companies . . . . .

268

24,060

1,107

21,308

### Current Liabilities:—

Due to Suppliers . . . . .

7,206

6,565

Due to Subsidiary Companies . . . . .

—

821

Miscellaneous Payables . . . . .

4,247

3,118

Accrued Charges . . . . .

8,632

20,085

7,021

17,525

Provision for Taxes . . . . .

3,225

778

Reserve for unrealized profit in, and writing down of, stocks at Subsidiaries . . . . .

25,133

24,623

Investment Fund . . . . .

14,987

10,000

87,490

74,234

### Share Capital and Surplus:—

Share Capital: 120,000 "A" shares . . . . .

12,000

12,000

1,080,000 "B" shares . . . . .

108,000

108,000

120,000

120,000

Statutory Reserve . . . . .

22,000

142,000

20,000

140,000

Surplus arising from merger of AB Arctic and Platen-Munters Refrigerating System AB . . . . .

632

#### Profit and Loss Account:—

Balance as at Dec. 31st, 1958 and 1957

50,961

47,869

Less: Allocation decided at General Meeting in May, 1959 and 1958:—

Transferred to the Statutory Reserve

./. 2,000

./. 2,000

Dividend . . . . .

./. 9,000

./. 9,000

39,961

36,869

Net Profit for the year . . . . .

14,518

54,479

14,092

50,961

Total 284,601

Total 265,195

### Contingent Liabilities . . . . .

12,205

9,402

Liability for pension obligations to former employees, totalling per annum

510

496

(Whereof Nil in respect of discounted Bills Receivable)

(Whereof Nil in respect of discounted Bills Receivable)

## SHAREHOLDINGS IN SUBSIDIARY COMPANIES

		Book Value Kr.
Electrolux Svenska Försäljnings AB, Stockholm .....	60,000 shares .....	6,000,000
Försäljnings AB Volta, Stockholm .....	2,000 » .....	200,000
AB Penta Utombordsmotorer, Stockholm .....	250 » .....	25,000
AB Carex, Stockholm .....	50 » .....	5,000
Centralkassan AB, Stockholm .....	1,000 » .....	100,000
AB Archimedes, Stockholm .....	15,000 » .....	750,000
AB Lux, Stockholm .....	200 » .....	20,000
		7,100,000
Shares in foreign Subsidiaries .....		69,000,021
		Kr. 76,100,021

The Company furthermore owns, through the intermediary of its Subsidiary, Försäljnings AB Volta, 50 shares in Walter Widmann A. G., Zürich, with a book value of Kr. 58,750

## SHAREHOLDINGS IN OTHER COMPANIES

		Book Value Kr.
AB Sukab, Stockholm .....	17 shares .....	1
AB Svensk Värmemätning C. B. System, Stockholm .....	738 » .....	1
Svensk Interkontinental Lufttrafiks AB (S.I.L.A.), Stockholm .....	2,000 » .....	1
La Maison de Suède à Paris, S.A., Paris .....	400 » .....	1
Säffle Restaurant AB, Säffle .....	50 » .....	1
Mercatoria S.A., Lima .....	1,431 » .....	1
Electrolux Corporation, New York .....	350,000 » .....	31,080,000
		Kr. 31,080,006



◀ The Manager of the Motala factory gives home market refrigerator No. 1,000,000 a hand on its way.  
Most Electrolux refrigerators are sold on foreign markets.

To date 732 employees have been awarded long-service medals in Sweden. The picture below shows a father and his two sons all of whom were decorated for 25 years of service at the Motala factory.



The Board of Directors and the Managing Director take this opportunity of thanking all Electrolux' employees for the interest and enthusiasm with which they have carried out their work during the past year. They also convey their thanks to agents, distributors and other customers in all parts of the world for the confidence they have shown in the Company and its products.

Stockholm, March 29th, 1960.

GUSTAF SAHLIN

SVEN SALMONSON

CARL TRYGGER

H. A. WERNHER

WALTER WEHTJE

STEN WIDELL

ELON V. EKMAN  
*Managing Director*

While referring to our Audit Report of to-day's date, we confirm that the Profit & Loss Statement and Balance Sheet, included in the Annual Report, agree with the Accounts of the Company as examined by us.

Stockholm, April 4th, 1960.

ARVID ERIKSON  
*Auditor, authorized by  
Stockholm's Chamber of Commerce*

EBBE RYBECK  
*Auditor, authorized by  
Stockholm's Chamber of Commerce*

The position of the Electrolux Concern as at 31st December, 1959, is shown by the following Consolidated Balance Sheet, which also sets out the result of the operations of the Concern as a whole during 1959.

# THE ELECTROLUX

## COMPARATIVE CONSOLIDATED BALANCE

ASSETS	1959		1958	
	Amounts in 1000 Kronor		Amounts in 1000 Kronor	
<i>Fixed Assets:—</i>				
Land, Factory & Office Buildings.....	87,764		77,702	
Less: Reserve for Depreciation .....	29,980	57,784	23,926	53,776
Plant, Machinery, etc.....	106,110		94,875	
Less: Reserve for Depreciation .....	93,856	12,254	86,272	8,603
Office Equipment, Motor Cars, etc....	24,393		21,935	
Less: Reserve for Depreciation .....	20,873	3,520	19,874	2,061
Prepayments on Fixed Assets under construction.....		72		159
Sundry Shareholdings.....		17,330		18,830
Guarantee Deposits .....		618		690
Patents, Trade Marks and Goodwill .		0		0
		91,578		84,119
<i>Current Assets:—</i>				
Inventories of Merchandise.....	129,819		129,466	
Securities .....	12,515		14,512	
Customers' Outstandings and Bills Receivable (less Reserves for Hire Purchase Interest and Doubtful Accounts)	185,214		161,023	
Miscellaneous Receivables.....	6,728		6,587	
Deferred Charges.....	3,958		4,115	
Cash at Banks, Post-Office, and on Hand	78,112*)	416,346	49,946	365,649
		<u>Total 507,924</u>		<u>Total 449,768</u>

\*) Of this amount, Kr. 3,000,000 on blocked account at Sveriges Riksbank (Bank of Sweden)



# CONCERN

SHEET AS AT 31ST DECEMBER, 1959 AND 1958

LIABILITIES	1959 Amounts in 1000 Kronor		1958 Amounts in 1000 Kronor	
<i>Long Term Liabilities:—</i>				
Mortgage Loans .....	5,693		6,612	
Staff Pension Funds .....	<u>27,706</u>	33,399	<u>23,657</u>	30,269
<i>Current Liabilities:—</i>				
Bank Loans .....	23,644		24,421	
Suppliers' Balances and Bills Payable ..	32,749		27,690	
Miscellaneous Payables .....	23,911		20,802	
Accrued Charges .....	<u>32,488</u>	112,792	<u>27,184</u>	100,097
<i>Provisions for Taxes</i> .....		43,900		26,606
<i>Investment Fund</i> .....		<u>14,987</u>		<u>10,000</u>
		205,078		166,972
<i>Share Capital and Surplus:—</i>				
Share Capital .....	120,000		120,000	
Statutory and Legal Reserves .....	51,662		46,568	
Balance of Profit carried forward from previous years .....	102,134		94,155	
Total Net Profit for the year .....	<u>29,050</u>	302,846	<u>22,073</u>	282,796
		<u>Total 507,924</u>		<u>Total 449,768</u>
<i>Contingent Liabilities</i> .....		12,439		9,636

Stockholm, March 29th, 1960.

ELON V. EKMAN

We, the undersigned auditors, appointed to examine the administration and accounts of Aktiebolaget Electrolux for the year 1959, beg to submit the following

## AUDITORS' REPORT

We have examined the accounts, which have also been checked by internal auditors, and have found them to be in excellent order.

The Company's various cash balances have been checked on different occasions by the internal auditors, and everything found in good order.

The various bank accounts have been checked, and securities inspected.

We have examined the Minutes of Board Meetings held during the year and have also had produced to us the insurance policies, contracts and other documents relative to the Company's financial position and the Board's administration.

In our opinion, all assets shown in the Balance Sheet have been valued on a most conservative basis.

The Consolidated Balance Sheet, as included in the Board's Report, has been examined by us. We have found this Balance Sheet to be drawn up on sound principles and giving a true picture of the financial position at the close of the year. The regulations laid down in the new Companies' Act, § 101, sections 2 and 3, and § 104, relative to consolidated accounts, have been observed.

During the audit we have also examined the accounts of Aktiebolaget Electrolux' Pension Funds.

There being no grounds for adverse criticism of the documents submitted to us, the Company's accounts, the verification of its assets or the administration of its affairs, we recommend:—

*that* the Balance Sheet presented by the Directors and the Managing Director and signed by us be approved,

*that* the available surplus be appropriated in accordance with the proposal of the Directors, such proposal comprising the required appropriation to the Statutory Reserve and not being at variance with good commercial practice considering the position of the Company and the result of its operations as a whole,

*and that* the Directors and the Managing Director be granted discharge for the past financial year's administration.

Stockholm, April 4th, 1960.

ARVID ERIKSON  
*Auditor, authorized by  
Stockholm's Chamber of Commerce*

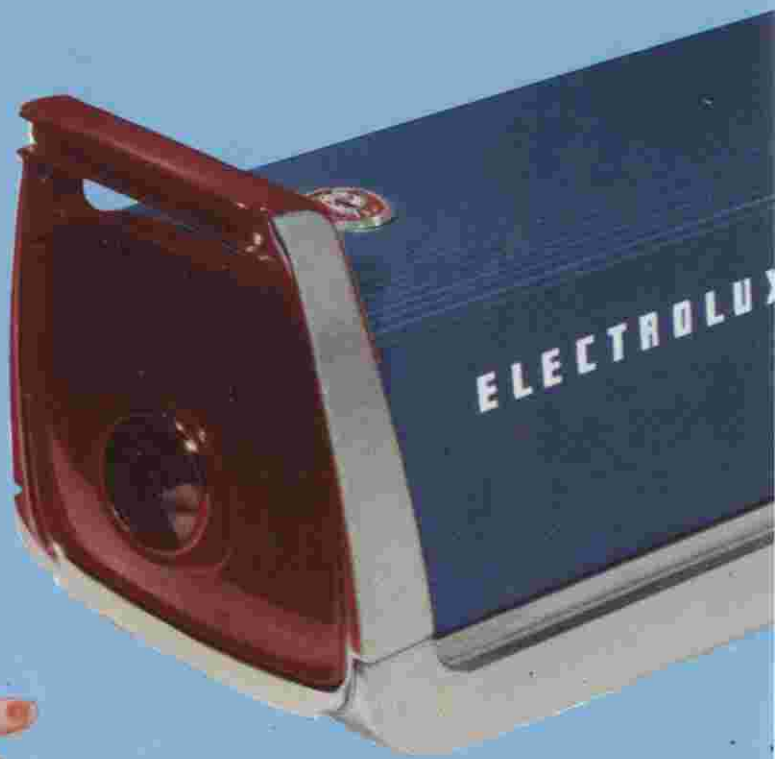
EBBE RYBECK  
*Auditor, authorized by  
Stockholm's Chamber of Commerce*



The new Electrolux dishwasher takes little space and is easy to install. Dishes for a family of five are washed up by this machine in about 6 minutes. Together with the Electrolux kitchen machine "Assistant" it takes the drudgery out of kitchen work.



More than 25 million products bearing the Electrolux trade-mark have been sold in most countries of the world. Vacuum cleaners and floor polishers are among the main products.



BOARD OF DIRECTORS AND  
AUDITORS OF AB ELECTROLUX  
elected at the Annual General Meeting in 1959

BOARD OF DIRECTORS

Ordinary members

Gustaf Sahlin, Chairman

Sven Salmonson, Vice Chairman

Carl Trygger

Sir Harold Wernher, Bt., G.C.V.O.

Walter Wehtje

Sten Widell

Elon V. Ekman, Managing Director

Deputies

Fred Deijfen

Arne M. Hofving

Kai Hyllén

Ebbe Svensson

AUDITORS

Ordinary Auditors

Arvid Erikson

Ebbe Rybeck

Deputies

Fritz Tjus

H. Mårtensson

